

e. Line Sharing

80. As we demonstrated in our initial declaration, Verizon's overall performance in providing line shared loops in Pennsylvania is excellent. Through April 2001, Verizon had provided over 60,000 line sharing loops in Pennsylvania. As of June 2001, Verizon is providing over **** line sharing loops for Verizon's separate data affiliate VADI and approximately 1,270 line sharing loops for CLECs. As discussed below, Verizon's pre-ordering, ordering, provisioning and maintenance performance for line sharing during May and June continues to be strong.

Pre-ordering

81. In our initial declaration, we demonstrated that Verizon is providing access to the same pre-order capabilities in Pennsylvania that Verizon provides in Massachusetts and Connecticut, which the Commission found satisfies the checklist. *See Massachusetts Order ¶¶ 133-134.* As we previously explained, CLECs use the same mechanized loop qualification transactions whether they are interested in purchasing unbundled DSL loops or line sharing. Pre-order response times for pre-order transactions are reported in measure PO-1-06. As we explained above in the DSL loop section, in May and June 2001, Verizon's response to mechanized loop qualification requests is excellent.

Ordering

82. CLECs and VADI can submit line sharing orders using a choice of the same Verizon electronic interfaces. The Carrier-to-Carrier Guidelines measure Verizon's timeliness in returning order confirmations and reject notices depending on whether the loop has been pre-qualified, whether the order flows through and the number of lines requested. As we explained in our initial declaration, Verizon's ordering performance for

pre-qualified loops is combined for line sharing and unbundled DSL loops. Accordingly, Verizon's performance for returning order confirmations and reject notices is discussed above in the DSL loop discussion.

83. The Carrier-to-Carrier Guidelines require Verizon to report its ordering performance for line sharing orders that require manual qualification separately. In our initial declaration we indicated that only 2 line sharing orders required manual qualification in Pennsylvania from February through April 2001, and Verizon completed those manual qualifications on time. In May and June 2001, Verizon received only 1 line sharing order that required manual qualification. It is clear that carriers continue to qualify virtually all of their loops through Verizon's mechanized pre-ordering process.

Provisioning

84. Verizon's provisioning performance for line sharing is strong. As noted above, Verizon is providing commercial volumes of line sharing in Pennsylvania. The first principle measure of Verizon's provisioning performance is the percent missed installation appointment rate for line sharing orders that do not require a dispatch (PR-4-05). Because most line sharing orders do not require a dispatch, the no-dispatch or central office measure is the most significant indicator of Verizon's performance. As we explained in our initial declaration, from February through April 2001, Verizon missed less than 4 percent of no-dispatch line sharing orders for both CLECs and VADI. Verizon's performance under this measure continues to be strong. During May and June 2001, Verizon missed less than 2 percent of CLEC and VADI appointments to install no-dispatch line sharing orders. *See* Attachment 33. This means that Verizon has provisioned 98 percent of both CLEC and VADI line sharing orders on time.

85. The next important provisioning measure is the average completion interval for no-dispatch line sharing orders (PR-2-01). This measure records the average number of days it takes Verizon to provision a line sharing order from Verizon's receipt of a valid order to actual work completion. In Pennsylvania, the standard provisioning interval for line sharing is 3 business days. As with other line sharing provisioning measures, the no-dispatch measure is again the most significant. In May and June, 2001, the average completion interval for CLECs was 3 days. *See* Attachment 19. Due to the small number of CLEC orders during those months, there are some fluctuations in the CLEC performance for this measure. For example, in March, the CLEC performance was skewed by the fact that 3 orders had a completion interval of longer than 50 days. (As we explained earlier, a programming error caused some standard interval orders to be excluded from the calculation of Verizon's line sharing performance under PR-2-01 and PR-3-03. Verizon also discovered that less than one percent of VADI line sharing orders were improperly counted as CLEC line sharing orders for PR-2-01 and PR-3-03 in the months of May and June. This error impacted only May and June performance because in May, Verizon adopted a new method to track line sharing performance, and the counting error was associated with migrating to the new tracking method. Verizon has recalculated its performance for PR-2-01 and PR-3-03. The performance results in this declaration for those measures contain the recalculated results.).

86. Verizon also reports a third provisioning measure – the percentage of line sharing orders completed within 3 business days (PR 3-03). Although the Commission has found it unnecessary to rely on a similar measure in the past, the performance results for this measure are nevertheless good. From February through June, 2001, Verizon

completed 93 percent of CLEC orders within the three-day interval when such an interval was requested. *See* Attachment 19. Here again, the low CLEC order volumes, resulted in erratic fluctuations in the reported CLEC performance. But, in May and June, Verizon completed 95 percent of CLEC line sharing orders within the three-day interval when that interval was requested.

87. As it did with unbundled DSL loops, Covad questions the number of exclusions Verizon makes for the “Percent Completed Within X Days” measurement (PR-3-03). According to Covad, although the reported line sharing observations for PR 3-03 from January through May 2001 show a total of 221 observations, Covad alone has “700 line sharing UNEs in service.” Covad Comments at 4. Similarly, Covad states that for April 2001, there are only 9 reported observations listed for PR 3-03 in the Carrier-to-Carrier Reports while Covad alone obtained 48 completed line sharing orders from Verizon during that month. Covad is correct that PR-3-03 does not (and is not intended to) include all of the line sharing orders completed in a month or all of the line sharing orders that a CLEC has in service. Rather, the business rules for PR-3-03 require that this measurement include only those orders where a CLEC has requested a three-business day interval. Attachment 34 lists all of the Covad line sharing orders that Verizon completed through its billing systems for the month of April 2001; identifies the orders that were excluded from PR-3-03; and lists the relevant business rules that required the exclusions.

88. Covad complains that it did not request a 3-business day interval for its line sharing orders because Verizon did not inform it that a 3-business day interval applied to line sharing orders in Pennsylvania. *See* Covad Comments at 5. Covad is wrong. On January 11, 2001, Verizon sent out an industry notice to all CLECs outlining

the line sharing intervals for the former Bell Atlantic states, including Pennsylvania. *See* Attachment 35. This notice shows the Pennsylvania line sharing interval is 3 business days. Therefore, Covad was on notice that the line sharing interval was 3 business days during the February through June 2001 time period covered by this 271 application.

Quality

89. Verizon is providing line shared loops to CLECs with a high level of quality, as evidenced by their overall reliability. As we indicated in our initial declaration, the number of line sharing troubles reported within 30 days of provisioning (*i.e.*, the line sharing I-Code rate – PR-6-01) in Pennsylvania was extremely low. During February through April 2001, the I-Code rate was less than one percent for both the CLECs and VADI. In May and June 2001, the I-Code rate remains low. There were no I-Codes for CLECs in May, and the rate was 1.35 percent in June. The I-Code rate for VADI was 0.19 and 0.20 percent in May and June, respectively. *See* Attachment 36.

90. Although Covad complains that it receives non-working line shared loops from Verizon, it produces virtually no evidence to back up its claim. For example, Covad points to certain emails from a Covad employee to a Verizon employee in which the Covad employee alleges that Covad is experiencing a 16 percent failed dispatch rate in Verizon East. *See* Covad Comments at Attachment B. Covad also includes a chart it prepared which purports to show failed dispatch rates in both Verizon West and East. Finally, Covad points to another self-produced spreadsheet entitled “Verizon East (Bell Atlantic) Region Data” which claims to list line shared loops that failed due to “no continuity.” *Id.*

91. None of the charts, emails, or spreadsheets Covad relies upon focus on Pennsylvania. In fact the “Verizon East (Bell Atlantic) Region Data” spreadsheet Covad attaches to its filing lists only *one* Pennsylvania order. In addition, Covad’s evidence is inconsistent with the data contained in its CLEC-specific Carrier-to-Carrier Reports. In April, Covad’s I-Code rate was ****. ****. See Covad’s April Carrier-to-Carrier Report (Application, App. D). Covad also points to its failed dispatch reports as proof of non-working loops. Covad’s failed dispatch reports purport to record the number of times a Covad technician is unable to turn up a line shared loop provisioned by Verizon. However, the problem with Covad’s reliance on its so-called “failed dispatch” reports is that such reports prove absolutely nothing about the quality of the line shared loop itself. Verizon has no way of verifying Covad’s failed dispatch claims because only the Covad technician knows why he or she was unable to successfully turn up a loop. Therefore, Verizon is not in a position to directly address the results of Covad’s failed dispatch reports. The only way Verizon could verify that a loop is not working is for Covad to submit a trouble ticket, which Covad would presumably do within the first thirty days after the loop was provisioned. If Verizon was producing so many non-working loops, as Covad claims, that fact would be reflected in a high I-Code rate, but as discussed above, Covad’s I-Code rate is extremely low.

Maintenance and Repair

92. There continues to be very little line sharing maintenance and repair activity in Pennsylvania. From February through April 2001, CLECs submitted fewer than 15 trouble tickets for line sharing. During May and June 2001, this trend continues with CLECs submitting just 6 line sharing troubles found in the Verizon network.

Nevertheless, Verizon's performance in addressing the few trouble tickets it has received has been excellent.

93. The percent missed repair appointment rate is the first significant maintenance and repair measure (MR 3-02). As with the provisioning measures, the resolution of most line sharing troubles does not require a dispatch outside of the central office. The central office measures are therefore the most important performance indicators. We previously indicated that during February through April 2001, Verizon received only 11 CLEC central office troubles, and that it did not miss any of these repair appointments. Verizon continues to meet its repair appointment commitments. In May and June 2001, Verizon received only 5 CLEC central office troubles, and it did not miss any of those repair appointments. *See Guerard/Canny/DeVito Reply Decl., Att. 1.*

94. The second important maintenance and repair measure is the repeat trouble report measure which tracks the number of repeat trouble reports within 30 days of an initial repair (MR 5-01). As we indicated in our initial declaration, from February through April 2001, Verizon received only one CLEC repeat trouble. In May and June 2001, Verizon received 3 repeat troubles from CLECs. *See Guerard/Canny/DeVito Reply Decl., Att. 1.*

95. The mean time to repair measure is the third most important maintenance and repair measure. As we indicated in our initial declaration, during February through April 2001, Verizon received only 11 central office troubles, and its mean time to repair those troubles was 4.28 hours for CLECs and **** hours for VADI. Verizon has continued to repair the few line sharing troubles it receives in a timely fashion. In May and June 2001, Verizon received a total of 61 central office troubles

from CLECs and VADI combined, and its mean time to repair these troubles for CLECs was 13.72 and 2.34 hours, respectively. The mean time to repair these troubles for VADI was **** hours in May and **** hours in June. *See* Guerard/Canny/DeVito Reply Decl., Att. 1.

96. Covad contends Verizon incorrectly codes legitimate Covad trouble tickets as “trouble not found” or “NTF” (no trouble found). To support this claim, Covad alleges it performed a study on 9 “trouble tickets from New York” that Verizon coded as no trouble found and discovered that at least 7 of the 9 tickets were legitimate troubles. *See* Covad Comments at 9 & Attachment C. Covad claims it informed Verizon of this study and that it has not received a response from Verizon on this issue. *See id.* First, the 9 trouble tickets to which Covad refers were not New York tickets but rather were all from the seven original former Bell Atlantic states. Only one of these tickets was from Pennsylvania. Second, contrary to Covad’s claim, Verizon did review these trouble tickets and reported its findings to Covad in an April 29, 2001 email attached to Covad’s own filing at Attachment C. Verizon found a legitimate trouble on that one Pennsylvania trouble ticket, and has since remedied the problem. The order was successfully provisioned on May 10, 2001. Clearly, one trouble ticket is insufficient to establish any pattern of incorrectly coding tickets as trouble not found.

97. Finally, Covad repeats arguments it made in Massachusetts and Connecticut regarding the timing and sufficiency of Verizon’s line sharing collocation work. Covad claims Verizon impeded its ability to order line sharing by incorrectly completing the collocation work associated with line sharing and delaying the inspections and repairs of that work. *See* Covad Comments at 12. Covad’s focus on the minor

collocation installation problems that once occurred and have since been corrected fails to detract from the fact that today (and during the time frame covered by this 271 application) CLECs, including Covad, are successfully obtaining line sharing in Pennsylvania.

98. First, although Covad complains about the delay associated with its line sharing collocation work, it ignores the fact that Covad itself was largely responsible for that delay. For example, Covad claims Verizon knew to begin preparing central offices for line sharing capability because Covad emailed Verizon its applications for line sharing collocation work in April 2000. *See* Covad Comments at n.14. However, in June 2000, Covad instructed Verizon to halt all work on its line sharing collocation arrangements because Covad wanted to retain its own vendor to perform part of the work on certain central offices. Verizon had to wait for Covad to retain its vendor and to identify which offices its vendor would be responsible for. Covad did not instruct Verizon to resume work on its line sharing collocation arrangements until October 2000. Consequently, the entire process was pushed back at least 3 months due to Covad's own actions.

99. Moreover, Verizon could not even begin quality inspections of many of the collocation jobs until Covad's vendor completed its portion of the work. Covad's vendor did not complete work for all of the offices for which it was responsible until February 2001. Even after all of Covad's central offices successfully passed Verizon's quality inspections, as explained in our initial declaration, at Covad's request, Verizon conducted joint meet inspections with Covad technicians, and they too agreed that the collocation work was complete and accurate.

100. Second, Covad's criticism of the fact that Verizon conducted more than one quality inspection and identified issues which required corrective action does not undermine the fact that Covad is successfully obtaining line sharing today. Verizon has repeatedly acknowledged that initially there were certain minor start-up issues associated with the line sharing collocation work, and that it adopted a special Line Sharing Quality Inspection process. Verizon has also made clear that it took corrective action to remedy these problems and, as noted above, Covad's own technicians have certified that the work is satisfactory. Covad points to a Verizon spreadsheet which it alleges shows that many Covad collocation jobs failed Verizon's quality inspections. *See* Covad Comments at 13. Covad fails to note the fact that the same spreadsheet also lists the date on which corrective action was taken to remedy any problems and that in the majority of cases corrective action was taken by the end of January.

101. Third, Covad is wrong when it states it did not have line sharing capability in Pennsylvania until March 14, 2001. Covad was submitting and Verizon was successfully completing Covad line sharing orders in Pennsylvania long before that date. In fact, in December, January and February, Verizon completed over 130 Covad line sharing orders.

f. Line Splitting

102. As we indicated in our initial declaration, in June, Verizon began a line splitting pilot in New York. In this pilot, Verizon is using new OSS functionality to add DSL capability to UNE platforms in a line splitting arrangement while re-using the same loop and port. In the DSL Collaborative, AT&T, MetTel, and WorldCom indicated they would participate in the pilot as voice carriers, and AT&T Broadband, Covad, and

Rhythms indicated they would participate as data carriers. AT&T has indicated it will partner with itself to provide both voice and data in a line splitting arrangement. The remaining voice and data carriers have indicated that they will enter agreements with one another to engage in line splitting.

103. The CLECs forecasted and Verizon agreed to accept ***** orders in June and ***** orders in July. As of August 1, 2001, Verizon has received and completed approximately ***** line splitting orders. *****

***** The minimal CLEC participation in the pilot will adversely impact Verizon's ability to identify all of the operations and systems issues associated with providing line splitting in a "high volume" scenario. Nevertheless, Verizon has obtained valuable information from the few orders it has already provisioned.

104. We indicated in our initial declaration that, in October 2001, Verizon would implement new OSS capability that will support transitions from line sharing to line splitting arrangements consistent with the business processes defined in the New York DSL Collaborative. Verizon is on track to meet its October deadline for implementing OSS capability sufficient to support the line splitting scenarios originally defined in the DSL collaborative.

III. Verizon Provides Interconnection.

a. Trunking

105. We demonstrated in our declaration that Verizon's interconnection service offerings, processes, and procedures in Pennsylvania are substantially the same as those

in New York and Massachusetts. Through April 2001, Verizon had provided CLECs with over 370,000 interconnection trunks in Pennsylvania. As of June 2001, there are over 417,000 interconnection trunks between Verizon and the CLECs.

106. Verizon's performance in providing interconnection trunking continues to be strong. During February, March, and April, Verizon completed about 99 percent of CLEC trunk orders for CLECs in Pennsylvania on time and had no installation troubles. In May and June, Verizon again completed about 99 percent of CLEC trunk orders on time and had no installation troubles. *See Guerard/Canny/DeVito Reply Decl., Att. 1.*

107. No commenter has challenged Verizon's performance in providing interconnection trunks. Two CLECs – Sprint and WorldCom – claim that Verizon inappropriately limits interconnection by refusing to allow CLECs to interconnect at a single Point of Interconnection in a LATA. *See Sprint Comments at 3, WorldCom Comments at 30.* Sprint and WorldCom are wrong. As we explained in our initial declaration, Verizon allows CLECs to interconnect at a single physical point in the LATA to exchange local traffic. CLECs are free to designate their Points of Interconnection with Verizon's network. However, if a CLEC chooses to interconnect at a single physical point in a LATA, it should bear the additional costs created by choosing that particular method of interconnecting with Verizon's network. Moreover, because this issue is currently being litigated before the Pennsylvania PUC in the context of a Sprint/Verizon interconnection arbitration, the Commission need not resolve this issue here.

108. The issue is not, as Sprint suggests, whether a CLEC has the right to designate a single physical point within a LATA at which it will interconnect. Rather,

the issue in the Sprint arbitration is whether Sprint should bear the additional costs created by that decision.

109. The issue is best illustrated through an example. Suppose a Verizon customer located in Allentown, Pennsylvania, calls a next door neighbor whose local service provider is Sprint. If Sprint has only one Point of Interconnection in the Philadelphia LATA and that Point of Interconnection is located in downtown Philadelphia, Verizon would have to carry that local call approximately 50 miles just to hand it off to Sprint for completion. Because of Sprint's chosen method of interconnection, there would be an additional 50 miles of transport costs associated with this local call. These additional transport costs would not exist if Sprint chose a more efficient method of interconnection, such as by establishing a Point of Interconnection in each local calling area in the LATA.

110. Verizon should not be required to bear additional transport costs simply because a CLEC has chosen a more costly and less efficient method of interconnection. Since these additional transport costs would be associated with the completion of a local call from Verizon's customer, Verizon would not be able to recover them by imposing toll charges. In fact, Verizon would typically not even be able to charge its customer any incremental charge for a local call to Sprint's customer because the bulk of Verizon's residential customers have flat-rated calling plans.

111. To resolve this issue in the ongoing Sprint arbitration proceeding, Verizon has proposed an arrangement for Verizon and Sprint to share the additional transport costs created by Sprint's decision to establish only a single Point of Interconnection in a LATA. Under this approach, Verizon would bear the transport costs of carrying local

calls from Verizon's end offices to Verizon's tandem switches or other designated locations. Sprint would then bear the cost of transporting local calls from Verizon's tandem switches and the designated locations to Sprint's chosen Point of Interconnection. Verizon's proposal would allow Sprint to make a business decision to establish only one Point of Interconnection per LATA, so long as Sprint bears at least some of the additional costs created by choosing that method of interconnection.

b. Collocation

112. Verizon's collocation performance in Pennsylvania is strong. In our initial declaration, we indicated that Verizon completed 100 percent of the physical collocation (traditional caged arrangements), SCOPE and CCOE jobs from February through April 2001 on time. We also indicated that Verizon completed the single virtual collocation arrangement it provisioned during those months on time. Additionally, we stated that from February through April 2001, Verizon completed 97.93 percent of the collocation augments provisioned during those months on time.

113. Verizon's collocation performance continues to be excellent. In May and June 2001, Verizon did not complete any traditional physical, CCOE, or virtual collocation arrangements. Verizon did complete 4 SCOPE arrangements on time during those months. In May, Verizon also completed on time 92 percent of the 37 collocation augments it provisioned. In June, Verizon completed 100 percent of the 13 collocation augments it provisioned on time. *See Attachment 37.*

114. As we indicated in our initial declaration, on May 24, 2001, the Pennsylvania PUC set new collocation provisioning intervals. *See Pennsylvania Public Utility Commission v. Verizon Pennsylvania Inc: Rhythms Links, Inc. v. Verizon*

Pennsylvania, Inc., Opinion and Order, Docket Nos. R-00994697; R-00994697C0001 (Pa. PUC May 24, 2001) (“PA Collocation Order”). The Pennsylvania PUC directed Verizon to file a tariff reflecting the newly-adopted collocation provisioning intervals by July 9, 2001. On July 9, 2001, Verizon filed the required compliance tariff, and it went into effect on July 10, 2001. *See* Attachment 38. In addition, as we explained in our initial declaration, the Pennsylvania PUC indicated it would temporarily defer the commencement of its own collaborative on the appropriate cable augment interval pending the outcome of an ongoing New York collaborative examining the same issue. *See* Letter from Pennsylvania PUC Secretary James McNulty, Re: *Collaborative to Address Cable Augment Intervals* (June 15, 2001) (Application, App. B, Tab BB9). All of the active participants in the Carrier Working Group that were negotiating the appropriate line sharing cable augment interval have agreed to a 45-business day interval. The New York PSC will likely vote on this proposed interval at its August 29, 2001 meeting. Verizon is in the process of pursuing a stipulation with several carriers to apply whatever line sharing collocation augment interval is approved by the New York PSC to Pennsylvania.

115. Sprint complains that Verizon’s collocation power charges are inappropriate because they charge CLECs for power on a per feed basis which results in the supposed double-billing of CLECs, but then acknowledges that Verizon has already filed a proposed revised tariff which addresses Sprint’s concerns regarding supposed “double-charging.” Sprint Comments at 20-22. As we explain in our initial declaration, as part of a November 8, 2001 Settlement Agreement between Verizon, WorldCom, AT&T, and Sprint, Verizon has agreed to charge for DC power based on the number of

load amps requested, rather than the number of fused amps per feed. As we also indicated in our initial declaration, Verizon further clarified the power ordering options available to CLECs in a recent industry letter. *See* Lacouture/Ruesterholz Decl. ¶ 82. This clarification resolves the CLECs' concerns about being charged for redundant power because Verizon will charge CLECs for the number of load amps – *i.e.*, the number of amps the CLECs' equipment is designed to use as indicated by the CLEC on its collocation application. Despite this settlement, Sprint continues to complain that Verizon's collocation application requires CLECs to request power in increments of an "A/B feed pair" and that Verizon's proposed tariff revisions may not be effective until November 2001 because the Pennsylvania PUC has suspended them for further review. *See* Sprint Comments at 20-22. Sprint is mistaken. The provisions of Verizon's tariff stating that Verizon will charge based on the number of load amps indicated by the CLEC is already effective. The Pennsylvania PUC suspended Verizon's proposed audit and penalty provisions, not the language regarding fused versus load amps. Moreover, Verizon has revised its collocation application to permit CLECs to order power on a load basis for a single feed. A copy of the revised collocation application is on Verizon's website at <http://128.11.40.241/east/wholesale/resources/resources.htm>. Moreover, even before Verizon modified its collocation application, CLECs could always order power on one feed by indicating so in the remarks field of the application.

116. Sprint also claims that the revised tariff's monetary penalties for CLECs that consume more power than they order are too onerous. *See* Sprint Comments at 22. Sprint's argument recycles an issue that is currently being considered by the Pennsylvania PUC. *See Covad Communications Company and Sprint Communications*

Company, LP, v. Verizon Pennsylvania, Inc.; Pennsylvania Public Utility Commission v. Verizon Pennsylvania, Docket Nos. R-00016329; R-00016329C0001, C0002. Verizon's proposed tariff institutes a program of audits for CLEC power consumption, and a set of penalties for CLECs who are found to be consuming more power than they are paying for based on the number of load amps specified in their collocation applications. The proposed tariff amendments require an annual attestation that the CLEC is not using more power than it has ordered for each of its collocation arrangements. If a CLEC fails to submit this attestation after a 30-day notice period, Verizon would bill the CLEC based on the total number of amps available to the CLEC – *i.e.*, the total number of “fused” amps provided – on a going-forward basis. This provision is reasonable, and as soon as the CLEC submits its written attestation, Verizon will revert to billing for load amps ordered, rather than fused amps. *See* P.U.C. No. 218, Section 2.B.8.h(4). As we explained above, the audit and penalty provisions have currently been suspended while the Pennsylvania PUC examines this issue. This suspension is obviously beyond Verizon's control. In the meantime, Verizon is negotiating with Sprint and Covad in an attempt to reach an agreement on the audit and penalty provisions.

117. Sprint also contends Verizon has inappropriately attempted to impose Section 251(c)(6) collocation obligations on Sprint even though Sprint is not an incumbent local exchange carrier and therefore is not obligated to permit collocation. *See* Sprint Comments at 23. Sprint has mischaracterized Verizon's position.

118. In the context of interconnection negotiations with Sprint, Verizon has requested that it be permitted to collocate at Sprint's switch centers in order to meet its obligation to interconnect with Sprint. Verizon has not claimed, as Sprint suggests, that

Sprint is legally obligated under the Act to allow Verizon to collocate at Sprint's point of presence. Instead, Verizon has proposed that it be allowed to self-provision (build) its own transport facilities to Sprint's point of presence to deliver Sprint's local traffic. Such an arrangement would not result in any additional costs to Sprint, and would eliminate Verizon's need to purchase transport from Sprint or a third party to deliver traffic to Sprint's point of presence. More importantly, because this issue, like most of the other issues Sprint has raised, is currently being litigated before the Pennsylvania PUC in the ongoing Verizon/Sprint arbitration, there is no reason for the Commission to decide this issue here. *See Petition of Sprint Communications Company, L.P. for an Arbitration Award of Interconnection Rates, Terms, and Conditions Pursuant to 47 U.S.C. § 252(b) And Related Arrangements With Verizon Pennsylvania, Inc., Docket No. A-310183F0002.*

119. Finally, Sprint claims that Verizon's ordering processes lead to undue delay in the provision of transport facilities, since Sprint cannot order transport facilities until two weeks before its collocation node is finished. As Sprint itself notes, the reason for this system is straightforward. *See* Sprint Comments at 10-11. Verizon needs to know the specific location of the interconnection facilities, such as DS-1s and DS-3s, which will be constructed as part of Sprint's collocation arrangement in order to provision and connect Verizon's circuits to Sprint's circuits. The construction of Sprint's interconnection facilities (including their corresponding location numbers) is not finished until work on the collocation arrangement is close to complete. The current process, which is identical to the process used in New York, Connecticut, and Massachusetts, does not hinder the ability of CLECs to compete. As we show elsewhere in this declaration,

the fact that competitors are entering the Pennsylvania market in large volumes by itself demonstrates that there are no serious barriers to competition in Pennsylvania. Sprint's ability to compete in Pennsylvania has not been hampered in any way as evidenced by the **** collocation arrangements that Sprint had operating in the state as of June 30.

120. Moreover, Sprint and Verizon are working to establish a trial program for the parallel provisioning of DS-3 interoffice transport facilities ("IOF") and collocation arrangements. This trial will be similar in several respects to the ongoing interoffice facility dark fiber parallel provisioning trial being conducted with Cavalier that we described in our initial declaration. As with the Cavalier trial, the Sprint trial would be designed to test the technical and practical viability of implementing a parallel provisioning structure of IOF DS-3s. Because Sprint has no pending collocation sites in Pennsylvania, a site in Maryland has been chosen for the trial. However, since the systems and procedures in place are similar in both states, Verizon will be able to apply the results of the Maryland trial to Pennsylvania.

121. Covad and CompTel focus their collocation complaints on the Arthur Andersen Collocation Audit. Specifically, they argue the findings of the Arthur Andersen Collocation Audit demonstrate Verizon has failed to comply with the Commission's collocation requirements. *See* Covad Comments at 15; CompTel Comments at 23. However, these commenters do little more than restate the audit findings, the details of which we previously outlined and fully explained in our initial declaration. *See id.* Covad has previously raised the same arguments it makes here with the Enforcement Bureau in its request to file a complaint in the Commission's accelerated

docket. The Enforcement Bureau denied Covad's request. Moreover, the Commission is already addressing the collocation audit findings elsewhere.

122. As we indicated in our initial declaration, the number of Pennsylvania offices implicated by the audit findings is miniscule. The *de minimis* number of Pennsylvania central offices noted in the audit are indicative of innocent oversights at best – not wide-scale non-compliance as Covad and CompTel suggest. The hundreds of collocation arrangements Verizon has provided CLECs over the years in Pennsylvania demonstrate that Verizon is providing non-discriminatory access to collocation for checklist purposes.

123. Covad claims Verizon should compensate it for past collocation fees since the collocation audit indicated Verizon allowed its separate data affiliate VADI to collocate for “free.” See Covad Comments at 15-16. Covad's assertion amounts to little more than a self-interested ploy to obtain money it does not deserve. First, the audit did not find that Verizon permitted VADI to collocate for “free.” It found only that during the audit examination period, Verizon did not collect a collocation application fee from VADI, and Verizon did not bill VADI for completed virtual collocation arrangements. As we explained in our initial declaration, Verizon's policy for CLECs and VADI alike is to commence work on completed collocation applications even if they are not accompanied by an application fee. A number of carriers often submit these fees a short time after they submit their collocation applications. We also indicated that VADI had paid all such fees for applications submitted through April 30, 2001. Moreover, as Verizon explained in its response to the Enforcement Bureau, at the time of Covad's complaint, the amounts past due on Covad's own account exceeded the amount that

VADI owed for collocation during the audit's engagement period. Consequently, Covad is in a particularly poor position to claim that Verizon's collocation billing practices are discriminatory.

124. In our initial declaration, we also explained the auditor's finding regarding the billing of VADI virtual collocation arrangements. We indicated that Verizon's billing for the virtual collocation arrangements that were part of the one-time transfer of assets from Verizon to VADI was delayed while an inventory of the transferred equipment was being conducted. Once that inventory was complete, Verizon billed VADI for virtual collocation charges that had accrued since the effective date of the asset transfer. More importantly, though, we explained that this finding did not implicate Pennsylvania because in Pennsylvania, VADI did not become operational until December 2000, and in January 2001 Verizon completed its inventory and began billing VADI. As a result, VADI had not accrued any past due charges in Pennsylvania. Therefore, Verizon has not provided VADI with any preferential treatment.

IV. Verizon Provides Local Transport

a. Dedicated Transport.

125. In our initial declaration, we demonstrated that Verizon offers CLECs in Pennsylvania the same access to local transport unbundled from switching, including both dedicated and shared transport, that are offered by Verizon in New York and Massachusetts. Verizon continues to have very little demand for dedicated transport arrangements. As of June 2001, Verizon has in service only 1,500 dedicated transport arrangements.

126. Verizon continues to provision fewer than 100 orders for unbundled dedicated transport each month. In May and June, Verizon missed only 15 installation appointments. This means that Verizon completed about 90 percent of unbundled dedicated transport orders on time. *See Guerard/Canny/DeVito Reply Decl., Att. 1.*

127. Verizon is also continuing to provision IOF transport circuits in a timely manner. During February, March, and April, Verizon's average installation interval for IOF transport circuits was 18.74 days for CLECs. In May and June, Verizon's average installation interval for IOF transport circuits was 17.64 days for CLECs. *See id.* Although there is no retail analog for this measure on the Carrier-to-Carrier reports, Verizon's performance is only a few days longer than the standard 15-day interval that applies to IOF orders of 8 or fewer circuits where facilities are available.

128. Verizon has recalculated its completed interval performance under PR-2-09 for those orders given an initial offered interval of 15 days or less. In performing this special study, Verizon excluded those orders that Verizon could not complete on the due date because the customer was not ready or the facilities were not available. The orders that Verizon could not complete for facility reasons include orders where, for example, Verizon's DS-3 electronics, fiber optic multiplexers, digital electronic cross-connect machines, or other interoffice transmission equipment did not have sufficient spare capacity. This recalculation shows that, during February through June, Verizon completed these IOF orders within 12.84 days, which is significantly shorter than the standard 15-day interval. *See Attachment 39.*